Public Utilities Commission of the State of California

Results of Public Agenda 3167

Meeting Held on Thursday, February 16, 2006 10:00 a.m.

San Francisco, California

Commissioners
Michael R. Peevey, President
John A. Bohn
Geoffrey F. Brown
Rachelle B. Chong
Dian M. Grueneich

Website: http://www.cpuc.ca.gov

Scheduled Commission Meetings 505 Van Ness Avenue, San Francisco

Ratesetting Deliberative Meeting* Room 5305 (1:30 p.m.) Closed to the Public	Commission Meeting Auditorium (10 a.m.) Open to the Public
Monday, March 13, 2006 (San Francisco)	Wednesday, March 15, 2006 (San Francisco)
Monday, April 10, 2006 (San Francisco)	Thursday, April 13, 2006 (San Francisco)
Monday, April 24, 2006 (San Francisco)	Thursday, April 27, 2006 (San Francisco)
Monday, May 08, 2006 (San Francisco)	Thursday, May 11, 2006 (San Francisco)
Monday, May 22, 2006 (San Francisco)	Thursday, May 25, 2006 (San Francisco)

^{*}Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.

For further information contact the Public Advisor (415) 703-2074 E-mail: public.advisor@cpuc.ca.gov



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PUBLIC COMMENT

The following items are not subject to public comment:

All items on the closed session agenda; these are HEX and EX items.

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Public Comment:

Consent Agenda

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

Orders and Resolutions

1 Res TL - 19070

[5232] Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the

Public Utilities Code.

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

2 Res ALJ 176-3167

[5234] Ratification of preliminary determination of category for proceedings initiated by application. The

preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

3 (Rev.) A05-03-003 - John W. Richardson as Receiver for Alisal Water Corporation.

[5164]

A05-03-006 - Related matters. This decision approves sale and transfer of Alisal Water Corporation's small water systems to Pajaro Sunny Mesa Community Services District, upon payment of Public Utilities Commission Reimbursement Account fees, real and personal property taxes, and telephone charges incurred, and remittance to Alisal Water Corporation of Department of Health Services surcharges collected, in association with the small water systems, since February 2005. Applications 05-03-003 and 05-03-006 are closed.

(Comr Grueneich - ALJ Yacknin)

Agenda 3166, Item 1 1/26/2006 (Staff)

02/08/2006 - This revision was not shown on the Agenda mailed to the public.

Outcome Withdrawn

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

4 [5213]

I05-03-011 - Investigation on the Commission's own motion into the operations and practices of Pacific Gas and Electric Company; Notice of Opportunity for Hearing; and Order to Show Cause why the Commission should not impose fines and sanctions for the December 20, 2003 PG&E Mission Substation fire and electric outage pursuant to Public Utilities Code Section 451.

This decision approves the all-party settlement, which resolves all issues in this proceeding and requires Pacific Gas and Electric Company (PG&E) shareholders to make payments totaling \$6.5 million - \$6.0 million for five programs and projects to improve electric system reliability and the remainder to the State's General Fund; decision also orders two refinements of the reporting requirements the parties have already agreed upon, in order to guard against inadvertent double counting in PG&E's next general rate case. This proceeding is closed.

(Comr Peevey - ALJ Vieth)

Outcome Signed

D06-02-003

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

5 R99-11-022 - Order Instituting Rulemaking into implementation of Public Utilities Code [5243] §390.

This decision denies Petition of Juniper Generation, LLC and PE Berkeley, Inc. to Modify Decision (D.) 05-09-003 to defer its effective date from September 8, 2005 to July 30, 2006. D05-09-003 granted Pacific Gas and Electric Company's petition to be relieved of the obligation to pay Qualifying Facilities (QF) within 15 days of the end of the QF billing period and to continue with the 30-day payment scheduled. The decision noted the importance of maintaining good relationships between QFs and gas suppliers. It also provided QFs an opportunity to request modifications.

(Comr Peevey - ALJ DeBerry)

Outcome Signed

D06-02-004

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

6 R99-11-021 - Rulemaking for purpose of revising settlement provisions in the Rules of Practice and Procedure.

The Commission instituted this rulemaking on November 18, 1999, proposing to revise its procedural rules governing settlements. The Commission stated that the proposed new rules were intended to be simpler and more flexible in order to encourage settlements. Interested parties were invited to submit comments and reply comments on a draft of the new rules and to participate in a workshop conducted on February 29, 2000. Because of the passage of time and because other proceedings may address some or all of the issues in this rulemaking proceeding, this decision closes Rulemaking 99-11-021. (Comr Peevey - ALJ Walker)

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Outcome Signed

D06-02-005

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

7 R03-10-003 - Order Instituting Rulemaking to implement portions of AB 117 concerning [5260] Community Choice Aggregation.

The Commission recently issued Decision 05-12-041, adopting rules and policies for Community Choice Aggregation (CCA) in Phase II of this proceeding. This decision modifies slightly Appendix B of that decision to reflect the intent of the Commission to permit a CCA to change its commencement date in an open season following its binding commitment for a period of up to three months, as the utilities suggested in their comments to the proposed Phase II decision.

(Comr Peevey - ALJ Malcolm)

Outcome Signed

D06-02-006

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

8 R04-04-003 - Order Instituting Rulemaking to promote policy and program coordination and integration in electric utility resource planning.

This decision grants the petition of Pacific Gas and Electric Company for modification of Decision 05-10-042. That decision ordered implementation of the Commission's resource adequacy requirements policy framework and, among other things, adopted a proposed prohibition on reselling and re-trading import capacity. This decision lifts that prohibition so that load serving entities (LSEs) are authorized to engage in such transactions, which may lead to more effective use of import capacity. (Comr Peevey - ALJ Wetzell)

Agenda 3166, Item 29 1/26/2006 (Staff)

Outcome Signed

D06-02-007

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

9 Res E-3966 - San Diego Gas & Electric Company (SDG&E).

[5264] SDG&E requests approval of its proposal to replace Payden and Rygel with NISA Investment Advisors L.L.C., as fixed-income manager for its Non-qualified trust and confirm the NISA investment

management agreement by authorizing the Commission's Executive Director or his designate to sign it on behalf of the Commission. Request approved. (Advice Letter 1742-E, filed November 14, 2005)

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

10 A05-04-028 - Empire One Telecommunications, Inc.

[5266]

This decision dismisses the application of Empire One Telecommunications, Inc., Fonix Corporation, and TOE Acquisition Corporation (Applicants) for approval of a merger agreement and authority to transfer ownership without prejudice, based on Applicants' failure to complete the application. This proceeding is closed.

(Comr Grueneich - ALJ Prestidge)

Outcome Signed

D06-02-008

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

11 C88-03-016 - The City of St. Helena, Town of Yountville, County of Napa, Napa Valley Vintners Association vs. Napa Valley Wine Train, Inc.

Following decisions by the Court of Appeal and the California Supreme Court, this decision denies Petition for Modification filed by Wine Train and closes this proceeding. The denial leaves standing Decision 01-06-034, in which the Commission determined that Wine Train's excursion service is not a public utility service.

(Comr Grueneich - ALJ Vieth)

Outcome Held (3/2/06, Consent Agenda. Further review.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

12 A05-06-002 - Pacific Gas and Electric Company (PG&E) and the City of Orinda.

[5270]

For authorization under Public Utilities Code Section 851 to quitclaim a portion of a 115 kV transmission line easement. Decision 05-07-017 granted PG&E's application to quitclaim a portion of the Sobrante-Moraga 115 kV transmission line easement. The petition of Wilmot McCutchen for modification claims the voltage of the transmission line is 220 kV. Held: Petition denied. The line is 115 kV. This proceeding is closed.

(Comr Brown - ALJ Barnett)

Outcome Signed

D06-02-009

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

13 A04-02-031 - City of Gridley.

[5271]

This decision grants the application of the City of Gridley to close a lightly used rail crossing but denies approval at this time for construction of a major new crossing that, while clearly needed, presents significant safety concerns. The denial of the application is without prejudice to refiling by the City of Gridley of a crossing plan that more compellingly addresses safety issues raised by the California Department of Transportation, Commission staff, and the Union Pacific Railroad Company. This proceeding is closed.

(Comr Peevey - ALJ Walker)

Outcome Held (3/2/06, Consent Agenda. Further review.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

14 R03-09-005 - Order Instituting Rulemaking on the Commission's own motion to evaluate [5274] existing practices and policies for processing general rate cases and to revise the general Rate Case Plan for Class A water companies.

This decision adopts a process for requesting waivers to the Water Rate Case Plan requirements, modifies the Rate Case Plan requirement regarding filing of testimony, and closes the proceeding. (Comr Brown - ALJ Bushey)

Outcome Signed

D06-02-010

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

15 R04-03-017 - Order Instituting Rulemaking regarding policies, procedures and incentives for distributed generation and distributed energy resources.

This order denies the petition of Tecogen, Inc., for modification of D04-12-045 to increase incentive payments for certain distributed generation projects to \$1 per watt.

D.04-12-045 reduced incentive levels for all technologies because the Self-generation Incentive Program overall had been oversubscribed, suggesting some incentives were higher than they needed to be to motivate investment. Among other things, the decision reduced the incentives from \$1 per watt to \$.80 per watt for nonrenewable projects.

(Comr Peevey - ALJ Malcolm)

Outcome Signed

D06-02-011

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

16 C05-07-022 - Utility Consumers' Action Network vs. Cingular Wireless (Cingular).

[5279]

Complainant alleges that defendant has placed unauthorized charges on its customers' bills, a practice known as "cramming." Cingular filed a Motion to Dismiss the complaint. This decision grants Cingular's motion to dismiss, to the extent the complaint alleges that communications-related charges violated the Interim Rules and denies it with regard to violations of law and regulations applicable to communications-related charges.

(Comr Grueneich - ALJ Bushey)

Outcome Signed

D06-02-012

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

17 Res T-16993 - Universal Access, Inc.

[5282]

This resolution downgrades the authorities granted to Universal Access, Inc. from facilities-based to switchless reseller competitive local and long distance. (Advice Letter 5, filed December 27, 2005)

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

18 R93-10-002 - Rulemaking on the Commission's own motion to provide for mitigation of local [5283] rail safety hazards within California.

This decision modifies Decision (D.) 97-09-045, the Commission's 1997 order identifying local safety hazard sites on railroad lines in California and adopting regulations to eliminate or reduce recurring railroad accidents at these identified local safety hazard sites. By this order, D.97-09-045 is modified to conform to decisions and orders of the Ninth Circuit Court of Appeals and the United States District Court for the Northern District of California, Case Nos. 01 15141, 01-15531, and C-97-03660 TEH, respectively. This proceeding is closed.

(Comr Peevey - ALJ Weismehl)

Outcome Signed

D06-02-013

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

19 Res T-16994 - Inland Empire United Way.

[5285]

This resolution grants the application of Inland Empire United Way to use the 2-1-1 dialing code for health and human services information and referral service in San Bernardino County.

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

20 R04-01-006 - Order Instituting Rulemaking on the Commission's proposed policies and programs governing post-2003 Low-Income Assistance Programs.

A05-06-005, A05-06-009, A05-06-012, A05-06-013 - Related matters. On November 28, 2005, Southern California Edison Company (SCE) filed a petition for modification of D.05-10-044, asking that the Commission exempt SCE, an electric-only utility, from what it refers to as the "winter shut-off moratorium" or, in the alternative, restrict the shut-off moratorium to low-income customers, as opposed to all residential customers. This decision denies SCE's Petition. The fundamental request is one that SCE made in the pleadings that led to D.05-10-044. In that decision the Commission stated its concern about the ability of customers to pay their utility bills this winter. Applications A05-06-005, A05-06-009, A05-06-012, and A05-06-013 are closed.

(Comr Grueneich - ALJ Weissman)

Outcome Signed

D06-02-014

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

21 R01-08-028 - Order Instituting Rulemaking to examine the Commission's future energy efficiency policies, administration and programs.

This decision allows SBW Consulting, Inc. to shift up to \$255,000 from its 2002-2003 budget for use in conjunction with its 2004-2005 Energy Efficiency Program activities.

(Comr Peevey - ALJ Weissman)

Outcome Signed

D06-02-015

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

22 R01-08-028 - Order Instituting Rulemaking to examine the Commission's future energy efficiency policies, administration, and programs.

This decision awards The Utility Reform Network \$197,615.13 in compensation for its substantial contributions to Decision D04-08-019, D04-09-060, D04-12-019, D05-01-055, and D05-04-051 in Rulemaking 01-08-028.

(Comr Peevey - ALJ Gottstein)

Outcome Signed

D06-02-016

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

23 (ECP) C05-04-024 - Patricia C. Prado, George P. Beaulieu, Kimballs Mobile Home Park [5290] Sub-Meter Customers, and Circle S Mobile Home Park Sub-Meter Customers vs. Robert H. Johanson dba Kimballs Mobile Home Park and Robert H. Johanson dba Circle S Mobile Home Park.

This decision orders Defendant to pay additional refunds of \$286.87 to tenants of Kimball's Mobile Home Park and \$1,022.28 to tenants of Circle S Corral Mobile Home Park. This proceeding is closed.

(Comr Brown - ALJ Ryerson)

Outcome Signed

D06-02-017

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

24 A04-06-035 - San Deigo Gas & Electric Company.

[5291]

For recovery of costs related to the 2003 Southern California Wildfires under the Catastrophic Event Memorandum Account. This decision awards The Utility Consumers' Action Network \$59,388.92 for its substantial contributions to D05-08-037 on San Diego Gas & Electric Company's 2003 Southern California Wildfires Recovery. This proceeding is closed.

(Comr Peevey - ALJ Long)

Outcome Held (3/2/06, Consent Agenda. Further consideration.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

25 Res W-4585 - California Water Service Company, Salinas District (Cal Water, Salinas [5303] District).

This resolution authorizes Cal Water, Salinas District a surcharge to recover water treatment expenses booked into a memorandum account to produce an increase in annual revenue for the Salinas District of \$1,054,838 or 6.54% to be amortized over a 36-month period. (Advice Letter (AL)1734, filed July 8, 2005 and Suppplemental AL 1734-A, filed December 2, 2005)

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

26 _ - Order Instituting Investigation on the Commission's own motion into the rates, [5304] operations, practices, service, and facilities of San Gabriel Valley Water Company.

In San Gabriel Valley Water Company (San Gabriel) last general rate case decision (Decision 04-07-034), the Commission left open for further hearing an adjustment for some \$27 million received by San Gabriel as payment for sales, condemnation, and water contamination damages. This Ordering Instituting Investigation puts San Gabriel on notice that a reduction in rates and refunds may result.

Outcome Held (3/2/06, Consent Agenda. Further cosideration.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

27 Res W-4586 - California Water Service Company, Selma District.

[5307]

This resolution authorizes California Water Service Company, Selma District rate base offset revenue increase of \$244,243 or 10.5%. (Advice Letter 1748, filed October 20, 2005)

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

28 Res SX-70 - Sacramento Regional Transit District.

[5308]

This resolution authorizes the Sacramento Regional Transit District an exemption from the provisions of Section 7.8 of General Order 75-C by providing that the bells on the warning devices located on the south side of the crossings at Royal Oaks Drive and Oxford Street in the City of Sacramento sound only during the initial warning and descent stage of the gates at the crossings.

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

29 Res T-16998 - SBC California (SBC).

[5310]

This resolution approves an Interconnection Agreement between SBC and Habla Comunicaciones, Inc., in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 27626, filed November 15, 2005)

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

30 Res T-16999 - SBC California (SBC).

[5311]

This resolution approves and Interconnection Agreement between SBC and Spectrotel, Inc., in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 27637, filed November 17, 2005)

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

31 A05-10-004 - San Diego Gas & Electric Company (SDG&E).

[5313]

This decision adopts a 2006 Energy Resource Recovery Account (ERRA) revenue requirement forecast of \$478 million for SDG&E. The ERRA was established to track fuel and purchased power revenues against actual recorded energy procurement costs. This forecast represents an increase of \$177 million, or 59% over the 2005 ERRA forecast. The large increase in ERRA revenue requirement is mainly due to fuel costs added to ERRA for a new generating plant, the Palomar Energy Center, and the substantial increase in market energy prices. Rather than increase rates by \$177 million, SDG&E is allowed to consolidate into one advice letter filing all its Commission-authorized revenue requirements from other proceedings to avoid multiple rate changes. This matter is uncontested and the proceeding is closed.

(Comr Bohn - ALJ Patrick)

Outcome Signed

D06-02-018

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

32 A05-10-032 - City of San Clemente.

[5317]

This decision grants the request of City of San Clemente to construct a pedestrian underpass rail crossing, referred to as the Mariposa Pedestrian Underpass, under the single-track Orange Subdivision main line of the Southern California Regional Rail Authority, within the City of San Clemente, County of Orange. This proceeding is closed.

(Exam Clark)

Outcome Signed

D06-02-019

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

33 A05-11-006 - Telscape Communications, Inc. and Gemini Partners, Inc.

[5320]

This decision grants the request of Telscape Communications, Inc. (Telscape) and Gemini Partners, Inc. for approval of a change in control over Telscape. The matter is uncontested. This proceeding is closed.

(Comr Peevey - ALJ Patrick)

Outcome Signed

D06-02-020

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

34 R______ - Rulemaking to update, clarify and recodify Rules of Practice and Procedure.

[5323]

This order opens a rulemaking to amend and recodify the Rules of Practice and Procedure in order to update, clarify and simplify them. For the most part, the proposed amendments (1) repeal rules that have been rendered obsolete by changes in statute or practice; (2) delete redundant rules, rules which define commonly understood terms and phrases, and rules which merely state the Commission's existing authority or reiterate statutory requirements; (3) edit rules to reflect and formalize standard Commission practices; and (4) simplify the language and organization of the rules. The proposed recodification reorganizes the rules in a more logical fashion reflective of the course of Commission proceedings, making it easier to identify and locate rules regarding particular subjects.

Some of the proposed amendments would also enact substantive changes prompted by our experience with the rules, changes in statute or Commission practice, and the opportunity to codify interim rules currently in effect under Commission resolutions.

Outcome Signed

R06-02-011

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

35 A04-12-020 - Enes Dedic, dba Airport City Shuttle (Applicant).

[5324]

This decision authorizes Applicant to operate as a passenger stage corporation between points in the Counties of Alameda, San Francisco, San Mateo, and Santa Clara, on the one hand, and San Francisco, Oakland, and San Jose International Airports, on the other hand; and to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

Outcome Signed

D06-02-021

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

36 A05-06-036 - El Corre Caminos, Inc. dba El Corre Caminos, and Jose Luis Ayala-Aroche.

[5325]

This decision authorizes Jose Luis Ayala-Aroche to transfer his passenger stage corporation (PSC) certificate to El Corre Caminos, Inc., and the transferee is authorized to modify the PSC certificate. This proceeding is closed.

(Exam Clark)

Outcome Signed

D06-02-022

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

37 A05-08-039 - Michael Tran, Thien Nguyen, Tony Tran, dba Cali-xedo.

[5326]

This decision authorizes Michael Tran, Thien Nguyen, and Tony Tran to operate as a passenger stage corporation between Garden Grove, on the one hand, and San Jose and Oakland, on the other hand; and to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

Outcome Signed

D06-02-023

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

38 A05-09-015 - Imperial Valley Transportation Services, LLC.

[5327]

This decision authorizes Imperial Valley Transportation Services, LLC to operate as a passenger stage corporation between points in Imperial County, on the one hand, and San Diego, on the other hand; and to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

Outcome Signed

D06-02-024

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

39 A05-09-022 - Gurmail Singh, dba AAA On Time Airporter (Applicant).

[5328]

This decision authorizes Applicant to operate as a passenger stage corporation between points in the Counties of Alameda, San Mateo, and Santa Clara, on the one hand, and San Francisco, Oakland, and San Jose International Airports, on the other hand. This proceeding is closed.

(Exam Clark)

Outcome Signed

D06-02-025

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

40 A05-09-030 - Sol Azteca Transportation Group dba Sol Azteca (Applicant).

[5329]

This decision authorizes Applicant to operate as a passenger stage corporation between San Ysidro, Santa Ana, and Los Angeles; and to establish a zone of rate freedom. This proceeding is closed. (Exam Clark)

Outcome Signed

D06-02-026

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

41 A05-11-010 - Bernard Cabute and Darryck Saterfield, dba Mountain View Limousine and [5330] Airport Shuttle Service (Applicant).

This decision authorizes Applicant to operate as a passenger stage corporation between points in the Counties of San Mateo and Santa Clara, on the one hand, and San Francisco, Oakland, and San Jose International Airports, on the other hand; and to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

Outcome Signed

D06-02-027

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

42 A05-12-010 - Zafar Quraishi and Mumtaz Group of Companies, LLC.

[5332] This decision authorizes Zafar Quraishi to transfer his passenger stage corporation certificate to Mumtaz Group of Companies, LLC; and the transferee is authorized to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

Outcome Signed

D06-02-028

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

43 A05-06-023 - County of Kern.

[5334] This decision authorizes the County of Kern to construct at Seventh Standard Road a grade-separated overhead crossing over the tracks of the Union Pacific Railroad Company's Fresno-Bakersfield Main Line and to close the existing at grade crossing (001B-305.90). Application 05-06-023 is closed.

(Comr Grueneich - ALJ Patrick)

Outcome Signed

D06-02-029

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

Regular Agenda

Energy Orders

R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of direct access pursuant to Assembly Bill 1X and Decision 01-09-060.

This decision addresses the Petition for Clarification of D03-09-052 filed on May 10, 2005, by the Regents of the University of California on behalf of the University of California, Davis. D03-09-052 addressed issues relating to a "cost responsibility surcharge" for customers who met a portion of their requirements through bundled service from Pacific Gas and Electric Company on or after February 1, 2001 and the remainder through the Western Area Power Administration on a "split wheeling" basis.

(Comr Brown - ALJ Pulsifer)

Agenda 3165, Item 46 1/12/2006 (Staff); Agenda 3166, Item 33 1/26/2006 (Bohn)

Outcome Signed (Comr. Grueneich recused herself from this agenda item and was not part of the quorum in its consideration.)

D06-02-030

Yes: (Bohn, Brown, Chong, Peevey)

No: (none) Abstain: (none) Absent: (none)

R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanisms for generation procurement and renewable resource development.

This decision on rehearing grants the application of San Diego Gas & Electric Company for approval to enter into a ten-year electric power purchase agreement with Calpine Corporation for electric power from the Otay Mesa Energy Center. This proceeding is closed.

(Comr Peevey - ALJ Brown)

Agenda 3166, Item 35 1/26/2006 (Peevey)

Outcome Signed

D06-02-031

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

R04-04-003 - Order Instituting Rulemaking to promote policy and program coordination and integration in electric utility resource planning.

This decision considers Pacific Gas and Electric Company's request to purchase and deliver gas, as needed for electric and gas system reliability purposes, to supply generating units under the California Independent System Operator reliability must run contracts with Calpine Company and its affiliates, and for authorization to recover from its ratepayers the costs associated with these activities.

(Comr Peevey - ALJ Brown)

Agenda 3165, Item 48 1/12/2006 (Staff); Agenda 3166, Item 36 1/26/2006 (Peevey)

Outcome Held (3/2/06. Further consideration.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

47 R______ - Order Instituting Rulemaking to develop additional methods to implement [5263] the California Renewables Portfolio Standard program.

In this proceeding, the Commission intends to address two principal aspects of implementing the Renewables Portfolio Standard (RPS) program. First, the Commission will add to the design for RPS implementation in areas where it is not yet complete. Second, the Commission will address the integration of new issues or programs into its implementation of the RPS program. The Commission intends to continue its oversight of the annual RPS procurement cycle, compliance, and other administrative issues in RPS implementation in Rulemaking 04-04-026 and any successors to it. This new rulemaking will consider at least four areas: 1) Electric Service Providers, Community Choice Aggregators, Small and Multijurisdictional Utilities; 2) Renewable Energy Credits; 3) California Solar Initiative; 4) other new issues.

Agenda 3166, Item 37 1/26/2006 (Staff)

Outcome Signed

R06-02-012

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

48 R______ - Order Instituting Rulemaking to review the 2006 long-term procurement plans [5273] of load serving entities in the interest of ensuring reliable and cost-effective electricity supply in California.

The Commission opens this rulemaking to continue the ongoing efforts to ensure reliable and cost-effective electricity supply in California through the review of the next cycle of long-term procurement plans. This rulemaking is the successor to the long-term procurement planning portion of Rulemaking 04-04-003, and it will be the forum for consideration of future procurement policy and planning issues.

Agenda 3166, Item 38 1/26/2006 (Staff)

Outcome Signed

R06-02-013

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

49 R04-04-003 - Order Instituting Rulemaking to promote policy and program coordination and [5280] integration in electric utility resource planning.

This decision states the Commission's intent to develop a load-based cap on greenhouse gas (GHG) emissions for Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and non-utility load serving entities that provide electric power to customers within these three respondents' service territories. Today's decision provides guidance for the implementation steps to put this cap in place. In conjunction with a load-based emissions cap on electric procurement, the Commission will pursue the development of shareholder incentives in resource-specific proceedings, with its immediate focus on energy efficiency. Over the longer term, the Commission also intends to develop a GHG limitation program that includes emissions from the natural gas sector, as the requisite emission reporting and certification protocols become available. (Comr Peevey - ALJ Gottstein)

Outcome Signed as Modified (Change p. 51. Comr. Grueneich recused herself from this agenda item and was not part of the quorum in its consideration.)

D06-02-032

Yes: (Bohn, Brown, Chong, Peevey)

50 A05-07-010 - PacifiCorp and MidAmerican Energy Holdings Company.

[5284]

This decision grants authority under Pub. Util. Code § 854(a) to transfer control of PacifiCorp from Scottish Power PLC to MidAmerican Energy Holdings Company. This decision denies the applicants' request that the transaction be exempted from § 854(a) pursuant to § 853(b). The authority granted by this decision is subject to specific commitments offered by the applicants, including their commitment to implement in California conditions that are adopted in other states that provide additional benefits or protections to California ratepayers. Other adopted commitments include PacifiCorp's agreement to: a) take no actions to diminish PacifiCorp's ability or willingness to perform its legal obligations associated with its Klamath River hydroelectric system or PacifiCorp's ability to recover associated costs, b) make cost-effective investments in California as reasonably required to serve load, c) offer cost-effective DSM programs in California, subject to such costs being recoverable on a timely basis, d) take specified actions to extend electric service to unserved Indian communities located in PacifiCorp's service territory, and e) provide \$150,000 per year for three years to fund a study to identify the presence, distribution, and possible causes of toxic algae in the Klamath River basin. This proceeding is closed.

(Comr Bohn - ALJ Kenney)

Outcome Signed

D06-02-033

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

51 A04-12-014 - Southern California Edison Company (SCE).

[5286]

I05-05-024 - Related matters. This decision addresses the general rate increase request of the SCE. SCE is authorized a revenue increase of \$60,693,000 for test year 2006 based on a base revenue requirement level of \$3,699,766,000. The adopted methodology for calculating post test year revenue requirements results in additional revenue increases of \$67,784,000 for post test year 2007 and \$105,319,000 for post test year 2008. On a general rate case revenue basis, the increases amount to 1.73% for 2006, 1.80% for 2007 and 2.68% for 2008. On a total system revenue basis, the increases amount to 0.61% for 2006, 0.67% for 2007 and 1.02% for 2008. These proceedings are closed.

(Comr Brown - ALJ Fukutome)

Outcome Held (3/15/06.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

52 A05-10-012 - Southern California Gas Company (SoCalGas).

[5321]

This decision grants SoCalGas' petition to modify Decision 05-11-027 to allow SoCalGas to defer to future winter months the remaining benefits of the cushion gas project for customers of the California Alternate Rates for Energy Program (CARE). The petition seeks to modify Ordering Paragraph 4 of D05-11-027 to allow SoCalGas to defer to future winter months, but no later than March 31, 2008, the remaining benefits of the cushion gas project to the extent the benefits are needed to keep CARE commodity rates below 80 cents per therm. In D05-11-027, the Commission authorized SoCalGas to rework the wells in two of its gas storage fields so that 4 billion cubic feet (Bcf) of cushion gas could be freed up, and reclassified as working gas and transferred in kind to SoCalGas' CARE customers at book value.

(Comr Peevey - ALJ Wong)

Outcome Signed

D06-02-034

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

Energy Resolutions and Written Reports

Res E-3969 - Southern California Edison Company (SCE).

[5256]

This resolution authorizes SCE to file tariff sheet revisions to establish a Memorandum Account to record certain SCE costs associated with interconnecting Renewables Portfolio Standard generators. (Advice Letter 1950-E, filed December 23, 2005)

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

Telecommunication Orders

54 R93-04-003 - Rulemaking on the Commission's own motion to govern open access to bottleneck services and establish a framework for network architecture development of dominant carrier networks.

I93-04-002 - Related matters. This decision, in the "Verizon UNE phase" of OANAD, sets unbundled network element (UNE) rates for Verizon California and price floors for Category II services. Rates are set using the HM 5.3 model proposed by AT&T and MCI, and include a 9.89% cost of capital and an overhead markup of 8.93%. The average basic loop rate is \$14.07, a 24% increase from the \$11.36 interim loop rate set in D05-01-057. The new flat monthly port rate is \$3.12. The Verizon models are rejected as not forward-looking. Verizon must calculate billing adjustments of interim rates to the rates in this order, but payment of any billing adjustment is stayed pending further proceedings to determine payment options. With regard to price floors, the Commission agrees to modify D99-11-050 and remove unbundled switching from the price floor calculation. Verizon is directed to file a compliance filing updating its price floor calculations based on the methodology used in D03-03-033, updated to reflect the UNE prices in to-day's order.

(Comr Peevey - ALJ Duda)

Agenda 3165, Item 49 1/12/2006 (Staff);

Agenda 3166, Item 39 1/26/2006 (Chong)

Outcome Held (3/2/06.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

55 R03-08-018 - Order Instituting Rulemaking to review policies concerning intrastate carrier access charges.

This decision reduces intrastate access charges by eliminating two non-cost based charges - the network interconnection charge and transport interconnection charge. Local exchange carriers are ordered to record lost revenue in a memorandum account. This proceeding is closed.

(Comr Peevey - ALJ Bushey)

Agenda 3166, Item 40 1/26/2006 (Peevey)

Outcome Held (3/2/06.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

56 [5211]

R00-02-004 - Order Instituting Rulemaking on the Commission's own motion to establish consumer rights and protection rules applicable to all telecommunications utilities.

This decision adopts Revised General Order No. 168, Market Rules to Empower Consumers and to Prevent Fraud. The General Order enumerates consumer rights and freedom of choice principles; extends to wireless carriers rules addressing (i) investigatory efforts of the Consumer Affairs Branch, (ii) worker identification, and (iii) Emergency 911 access that currently apply only to holders of Commission-issued Certificates of Public Convenience and Necessity; and combines these rules with a set of anti-slamming rules. The decision adopts rules governing the placement of all types of charges on telephone bills, and repeals interim rules dedicated to placement of non-communications charges on telephone bills. This decision also initiates new education and enforcement efforts designed to empower consumers and root out fraud. It focuses Commission resources on creating a new Commission-led telecommunications consumer education program that will use multiple languages to reach out to California residents. This decision enhances the Commission's ability to enforce laws and regulations in a timely and effective manner through creating a special Telecommunications Consumer Fraud Unit; expanding its toll-free hotline to cover allegations of fraud; and increasing cooperation with other law enforcement agencies. In order to ensure that the needs of non-English speaking populations in particular are protected, the decision further directs Commission Staff to draft a report on in-language practices and any special problems faced by consumers with limited English proficiency. (Comr Peevey)

Agenda 3166, Item 42 1/26/2006 (Brown)

Outcome Held (3/2/06. Consideration of this item is being postponed due to PU Code Section 311(e) requirements.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

56a ALTERNATE TO ITEM 5211

[5312]

The Alternate Decision proposes a comprehensive telecommunications consumer protection program with four equally essential elements: a Consumer Bill of Rights, clear and concise Rules to enforce those Rights, a new emphasis on the Education of consumers, and improved Enforcement of the Rules. The proposed Rules are a streamlined subset of the 2004 Rules that respond to carrier concerns regarding cost, innovation, and competition; establish a uniform, level playing field for carriers; and respond to increased complaints about telecommunications service. The Alternate Decision keeps in place the current Cramming and Slamming Rules. The Education element in the Alternate Decision differs by establishing a program that is shared between the Commission and carriers, rather than simply the responsibility of the Commission. The Enforcement element of the Alternate Decision encourages collaborative efforts between the Commission and the Attorney General, but places greater emphasis on the Commission's responsibility to protect California telecommunications consumers. (Comr Grueneich)

Outcome Held (3/2/06. Consideration of this item is being postponed due to PU Code Section 311(e) requirements.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

57 A04-03-014 - Verizon California Inc.

[5314]

This decision adopts an amendment to existing interconnection agreements that Verizon California Inc. has with various competitive local exchange carriers. The amendment implements the terms of the Federal Communications Commission's Triennial Review Order and Triennial Review Remand Order. (Comr Peevey - ALJ Jones)

Outcome Signed

D06-02-035

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

Water/Sewer Orders

58 [5220]

R04-09-002 - Order Instituting Rulemaking on the Commission's own motion to develop rules and procedures to preserve the public interest integrity of government financed funding, including loans and grants, to investor-owned water and sewer Utilities.

This decision adopts rules that shall govern the accounting and ratemaking treatment for grant funds received by all classes of regulated water utilities through the passage of Proposition 50 - The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. Receipt of these funds by Commission-regulated water utilities will allow the utilities and their customers to benefit by providing cost-free funds for needed investments in water supply, treatment, and security. This proceeding is closed.

(Comr Peevey - ALJ Walwyn)

Agenda 3166, Item 44 1/26/2006 (Peevey)

Outcome Held (3/2/06. Further consideration.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

Transportation/Rail Safety Orders

59 A04-06-030 - City of Petaluma.

[5089]

The City of Petaluma (Petaluma) is authorized to relocate an at-grade crossing of the railroad tracks of the Sonoma Marin Area Transit District (SMART) according to the design set out in the Supplement to Application and the conditions set forth in this decision. Petaluma's authorization continues as long as no passenger rail service operates along the SMART tracks. This authorization shall expire in the event that passenger rail service initiates along the SMART tracks because the institution of passenger rail service may affect the safety, and may require changes in the rail crossing. In the event passenger rail service commences along the SMART railroad tracks, Petaluma must apply to the Commission for continued authorization of this at-grade crossing. Additionally, if Petaluma extends Caulfield Lane past Hopper Street, Petaluma must make any changes to the design or signalization of the intersection of Hopper Street and Caulfield Lane and the railroad crossing required by the Commission's Consumer Protection and Safety Division's Rail Crossing Engineering Section prior to extending Caulfield Lane past Hopper Street. This proceeding is closed.

(Comr Grueneich - ALJ Econome)

Agenda 3164, Item 56 12/15/2005 (Staff); Agenda 3165, Item 53 1/12/2006 (Peevey); Agenda 3166, Item 45 1/26/2006 (Peevey)

Outcome Signed

D06-02-036

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

Other Utility Orders

60 [5106]

R04-09-003 - Order Instituting Rulemaking on the Commission's own motion for the purpose of considering policies and guidelines regarding the allocation of gains from sales of energy, telecommunications, and water utility assets.

This decision adopts a process for allocating gains on sale received by certain electric, gas, telecommunications and water utilities when they sell utility land, assets such as buildings, or other tangible or intangible assets formerly used to serve utility customers. In most cases, utility ratepayers should receive 75% of the gain, based on our finding that ratepayers bear most of the risk associated with owning such property. The utilities' shareholders should receive the remaining 25% of the gain on sale. This rule of thumb will apply to routine asset sales where the after-tax sale price is \$50 million or less, or where the gain or loss from the sale is \$10 million or less. Most ordinary asset sales that come before this Commission for approval should meet these criteria. The rule we develop here will not apply where the after-tax asset sale price exceeds \$50 million or the gain or loss exceeds \$10 million. The rule also does not apply to utility sales of assets of extraordinary character; sales of nuclear power plants; where a party alleges the utility engaged in highly risky and non-utility-related ventures; or where a party alleges the utility grossly mismanaged the assets at issue.

(Comr Brown - ALJ Thomas)

Agenda 3164, Item 57 12/15/2005 (Staff); Agenda 3166, Item 46 1/26/2006 (Staff)

Outcome Held (3/2/06. Further consideration.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

Administrative Law Judge Division Reports and Resolutions

61 Res ALJ -188

[5174] This resolution

This resolution adopts interim rules governing electronic filing of documents during the electronic filing pilot period.

Agenda 3165, Item 54 1/12/2006 (Staff)

Outcome Approved as Modified (Change p. 1.) Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

Legal Division Matters

62 WC Docket No. 05-271

[5088]

Notice of Proposed Rulemaking on Consumer Protection re Broadband Services. Recommendation that the Commission participate in FCC proceeding that seeks comment on consumer protection measures for broadband Internet access services. These measures include customer privacy, slamming/cramming, truth-in-billing, network outage reporting, discontinuance of service, and statutory rate averaging requirements.

Agenda 3163, Item 33 12/1/2005 (Kennedy); Agenda 3165, Item 55 1/12/2006 (Peevey); Agenda 3166, Item 47 1/26/2006 (Brown)

Outcome Approved as Modified

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

63 FCC Docket 96-45, WC Docket 05-337

[5258]

The FCC has issued a rulemaking asking for comment on issues raised by section 254(b) of the Communications Act of 1934 – In the Matter of Federal-State Joint Board on Universal Service – High Cost Universal Service Support- FCC-96-45.

Agenda 3166, Item 48 1/26/2006 (Staff)

Outcome Withdrawn

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

FCC CC Docket 94-129

[5277]

The FCC has asked for comment on the Petition of certain Rural LECs (Local Exchange Carriers) for Review of FCC's June 9, 2005 Declaratory Ruling, denying the LECs' Petition with Respect to Obligation to Execute PIC Change Requests with Incorrect Subscriber Information. Legal Division and Telcommunications Division contemplates filing comments describing the Commission's experience in enforcement cases where non-subscribers have authorized changes to the subscriber's telephone service.

Agenda 3166, Item 50 1/26/2006 (Chong)

Outcome Approved-Staff Recommendation

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

Commissioner's Reports

65 President Peevey Report

[5333] Discussion and action on Commission's four appointees to the California Emerging Technology Fund.

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none) Abstain: (none) Absent: (none)

66 President Peevey Report

[5336] Dis

Discussion and possible action on a Resolution to appeal to the San Francisco Board of Education and the San Francisco Board of Supervisors to provide for the continued operation of the John Swett Alternative School, which is an essential neighborhood institution for the children of the Western Addition and Tenderloin and which the CPUC has been supporting for more than 15 years with tutoring, funds and other resources.

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

Closed Session

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the

Non-Federal

68 A05-05-010 - Conference with Legal Counsel - Application for Rehearing.

[5216] A05-05-013, A05-05-029 - Related matters.

The disposition of the applications for rehearing of Resolution (Res.) E-3929, filed by City of Morro Bay and the Coastal Alliance on Plant Expansion, and related petition for modification of the resolution, filed by Pacific Gas and Electric Company.

Res. E-3929 involves the Commission's approval of PG&E's request of a three-year tolling agreement with Duke's Morro Bay Units 3 and 4.

Agenda 3165, Item 64 1/12/2006 (Staff); Agenda 3166, Item 53 1/26/2006 (Staff)

Outcome Withdrawn

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

70 A02-12-027 - Conference with Legal Counsel - Application for Rehearing.

[5315] A02-12-028; I03-03-016; - Related matters.

Disposition of Application for Rehearing of Decision D05-03-023 filed by The Utility Reform Network.

In D05-03-023 the Commission approved post-test year ratemaking mechanisms and adopted, a partial settlement supported by SoCalGas, SDG&E, ORA, TURN, Aglet, NRDC, and SCGC. The Settlement resolved or otherwise disposed of all issues in Phase II for both SoCalGas and SDG&E, with the exception of matters related to performance incentives and performance indicators.

Outcome Signed

D06-02-037

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)